



**4310-MR**

**DEPARTMENT OF THE INTERIOR**

**Bureau of Ocean Energy Management**

**[OMB Number 1010-0114]**

**Information Collection: General and Oil and Gas Production Requirements in the Outer Continental Shelf; Submitted for OMB Review; Comment Request**

**ACTION:** 30-day notice.

**MMAA104000**

**SUMMARY:** To comply with the Paperwork Reduction Act of 1995 (PRA), the Bureau of Ocean Energy Management (BOEM) is notifying the public that we have submitted an information collection request (ICR) to the Office of Management and Budget (OMB) for review and approval. The ICR pertains to the paperwork requirements in the regulations under 30 CFR 550, Subparts A and K, General and Oil and Gas Production Requirements. This notice provides the public a second opportunity to comment on the paperwork burden of this collection.

**DATE:** Submit written comments by [INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER].

**ADDRESSES:** Submit comments on this ICR to the Desk Officer for the Department of the Interior at OMB-OIRA at (202) 395-5806 (fax) or [OIRA\\_submission@omb.eop.gov](mailto:OIRA_submission@omb.eop.gov) (email). Please provide a copy of your comments to the BOEM Information Collection Clearance Officer, Arlene Bajusz, Bureau of Ocean Energy Management, 381 Elden Street, HM-3127, Herndon, Virginia 20170 (mail) or [arlene.bajusz@boem.gov](mailto:arlene.bajusz@boem.gov) (email). Please reference ICR 1010-0114 in your comment and include your name and return

address.

**FOR FURTHER INFORMATION CONTACT:** Arlene Bajusz, Office of Policy, Regulations, and Analysis at [arlene.bajusz@boem.gov](mailto:arlene.bajusz@boem.gov) (email) or (703) 787-1025 (phone). You may review the ICR online at <http://www.reginfo.gov>. Follow the instructions to review Department of the Interior collections under review by OMB.

**SUPPLEMENTARY INFORMATION:**

**OMB Control Number:** 1010-0114.

**Title:** 30 CFR 550, Subpart A, General, and Subpart K, Oil and Gas Production Requirements.

**Forms:** BOEM-0127, BOEM-0140, BOEM-1123, BOEM-1832.

**Abstract:** The Outer Continental Shelf (OCS) Lands Act, as amended (43 U.S.C. 1331 *et seq.* and 43 U.S.C. 1801 *et seq.*), authorizes the Secretary of the Interior to prescribe rules and regulations to administer leasing of the OCS. Such rules and regulations will apply to all operations conducted under a lease. Operations in the OCS must preserve, protect, and develop oil and natural gas resources in a manner that is consistent with the need to make such resources available to meet the Nation's energy needs as rapidly as possible; balance orderly energy resource development with protection of human, marine, and coastal environments; ensure the public a fair and equitable return on the resources of the OCS; and preserve and maintain free enterprise competition. Section 1332(6) states that "operations in the [O]uter Continental Shelf should be conducted in a safe manner by well trained personnel using technology, precautions, and techniques sufficient to prevent or minimize. . . loss of well control . . . physical obstructions to users of the waters or subsoil and seabed, or other occurrences which may cause damage to the environment or

to property or endanger life or health.”

The Independent Offices Appropriations Act (31 U.S.C. 9701), the Omnibus Appropriations Bill (Pub. L. 104-133, 110 Stat. 1321, April 26, 1996), and Office of Management and Budget (OMB) Circular A-25 authorize Federal agencies to recover the full cost of services that confer special benefits. Under the Department of the Interior’s (DOI) implementing policy, the Bureau of Ocean Energy Management (BOEM) is required to charge fees for services that provide special benefits or privileges to an identifiable non-Federal recipient above and beyond those that accrue to the public.

This ICR covers 30 CFR 550, Subpart A, General, and Subpart K, Oil and Gas Production Requirements, which deal with regulatory requirements of oil, gas, and sulphur operations on the OCS. This request also covers the related Notices to Lessees and Operators (NTLs) that BOEM issues to clarify and provide guidance on some aspects of our regulations.

The BOEM uses the information collected under the Subpart A and K regulations to ensure that operations in the OCS are carried out in a safe and environmentally sound manner, do not interfere with the rights of other users in the OCS, and balance the protection and development of OCS resources. Specifically, we use the information collected to:

- Determine the capability of a well to produce oil or gas in paying quantities or to determine the possible need for additional wells resulting in minimum royalty status on a lease.

- Provide lessees/operators greater flexibility to comply with regulatory requirements through approval of alternative equipment or procedures and departures if they demonstrate equal or better compliance with the appropriate performance standards.
- Ensure that subsurface storage of natural gas does not unduly interfere with development and production operations under existing leases.
- Record the designation of an operator authorized to act on behalf of the lessee/operating rights owner and to fulfill their obligations under the OCS Lands Act and implementing regulations, or to record the local agent empowered to receive notices and comply with regulatory orders issued (Form BOEM-1123, Designation of Operator).  
  
This form requires the respondent to submit general information such as lease number, name, address, company number of designated operator, and signature of the authorized lessee. With this renewal, BOEM is adding a line for the signator's name and title and clarifying explanations and terminology. We are also introducing instructions on how to fill out the form specific to the Gulf of Mexico Region to better facilitate the processing of the form, given the volume of form submissions and inquiries that the Gulf Region receives. We estimate the instructions will increase the time from 15 to 30 minutes to read and fill out the form; however, we believe the instructions will reduce the number of basic questions and result in faster processing time for respondents.
- Determine if an application for right-of-use and easement complies with the OCS Lands Act, other applicable laws, and BOEM regulations; and does not unreasonably interfere with the operations of any other lessee.
- Provide for orderly development or disqualification of leases to determine the appropriateness of lessee/operator performance.

- Approve requests to cancel leases and ascertain if/when the Secretary may cancel leases.
- Ensure the protection of any discovered archaeological resources.
- Regulate production rates from sensitive reservoirs (Form BOEM-0127, Sensitive Reservoir Information Report). BOEM engineers and geologists use the information for rate control and reservoir studies. The form requests general information about the reservoir and the company, volumetric data, and fluid analysis and production data. To assist respondents in filling out the form, BOEM is introducing instructions to clarify data entries. We expect the instructions to reduce or eliminate the number of form revisions in the future, although it could initially add 30 minutes to the form burden to read them.
- Manage reservoirs in our efforts to conserve natural resources, prevent waste, and protect correlative rights, including the Government's royalty interest (Form BOEM-0140, Bottomhole Pressure Survey Report). Specifically, BOEM uses the information in reservoir evaluations to determine maximum production and efficient rates and to review applications for downhole commingling to ensure that action does not harm ultimate recovery or undervalued royalties. The form requests information about the well and operator; test data information such as shut-in time, bottomhole temperature, kelly bushing elevation; and bottomhole pressure points that consist of measured depth(s), true vertical depth(s), pressure(s), and pressure gradient(s). With this renewal, BOEM is adding a line to record the distance between the kelly bushing and tubing-head flange and is modifying some wording for clarification. We expect no change to the hour burden as a result.

- Determine that respondents have corrected any Incidents of Non-Compliance (INCs), Form BOEM-1832, identified during compliance reviews. The BOEM issues this form to the operator and the operator then corrects the INC(s), signs and returns the form to the BOEM Regional Supervisor. To accommodate the split of regulatory responsibilities from the former Bureau of Ocean Energy Management, Regulation, and Enforcement, BOEM will be revising this form to reflect BOEM’s compliance authority and will obtain OMB approval under a separate submission.

We will protect proprietary information according to the Freedom of Information Act (5 U.S.C. 552), its implementing regulations (43 CFR 2), 30 CFR 252, and 30 CFR 550.197, “Data and information to be made available to the public or for limited inspection.” Proprietary information concerning geological and geophysical data will be protected according to 43 U.S.C. 1352. No items of a sensitive nature are collected. Responses are mandatory.

**Frequency:** Primarily on occasion; monthly.

**Description of Respondents:** Federal oil and gas and sulphur lessees/operators.

**Estimated Reporting and Recordkeeping Hour Burden:** The estimated annual hour burden for this collection is 30,635 hours. The following table details the individual components and estimated hour burdens. In calculating the burdens, we assumed that respondents perform certain requirements in the normal course of their activities. We consider these to be usual and customary and took that into account in estimating the burden.

## BURDEN BREAKDOWN

Citation 30 CFR 550 Subpart A and Related Forms/NTLs	Reporting or Recordkeeping Requirement	Hour Burden	Average No. of Annual Responses	Annual Burden Hours
		Non-Hour Cost Burdens		
Authority and Definition of Terms				
104; 181; Form BOEM-1832	Appeal orders or decisions; appeal INCs; request hearing due to cancellation of lease.	Exempt under 5 CFR 1320.4(a)(2), (c).		0
Performance Standards				
115; 116	Request determination of well producibility; make available or submit data and information; notify BOEM of test.	5	90 responses	450
119	Apply for subsurface storage of gas; sign storage agreement.	10	3 applications	30
Subtotal			93 responses	480 hours
Cost Recovery Fees				
125; 126; 140	Cost Recovery Fees; confirmation receipt etc; verbal approvals and written request to follow. Includes request for refunds.	Cost Recovery Fees and related items are covered individually throughout this subpart.		0
Designation of Operator				
143	Report change of name, address, etc.	Not considered information collection under 5 CFR 1320.3(h)(1).		0
143(a-c); 144; 145; Form BOEM-1123	Submit designation of operator (Form BOEM-1123 – form takes 30 minutes); report updates; notice of termination; submit designation of agent. Request exception. NO FEE	1	2,584 forms	2,584
143(a-d); 144; 145; Form BOEM-1123	Change designation of operator (Form BOEM-1123 – form takes 30 minutes); report updates; notice of termination; submit designation of agent; include pay.gov confirmation receipt. Request exception. SERVICE FEE	1	930 forms	930
		\$175 fee x 930 = \$162,750		
186(a)(3); NTL	Apply for user account in TIMS (electronic/digital form submittals).	Not considered information collection under 5 CFR 1320.3(h)(1).		0
Subtotal			3,514 responses	3,514 hours
			\$162,750 non-hour cost burden	
Compliance				
101; 135; 136; Form BOEM-1832	Submit response and required information for INC, probation, or revocation of operating status. Notify when violations corrected.	2	94 submissions	188
	Request waiver of 14-day response time or reconsideration.	1	1	1
135; 136	Request reimbursement for services provided to BOEM representatives during reviews; comment.	1.5	2 requests	3
Subtotal			97 responses	192 hours

Citation 30 CFR 550 Subpart A and Related Forms/NTLs	Reporting or Recordkeeping Requirement	Hour Burden	Average No. of Annual Responses	Annual Burden Hours
		Non-Hour Cost Burdens		
Special Types of Approval				
125(c); 140	Request various oral approvals not specifically covered elsewhere in regulatory requirements.	1	100 requests	100
141; 101-199	Request approval to use new or alternative procedures; submit required information.	20	100 requests	2,000
142; 101-199	Request approval of departure from operating requirements not specifically covered elsewhere in regulatory requirements; submit required information.	2.5	100 requests	250
Subtotal			300 responses	2,350 hours
Right-of-use and Easement				
160; 161; 123	OCS lessees: Apply for new or modified right-of-use and easement to construct and maintain off-lease platforms, artificial islands, and installations and other devices; include notifications and submitting required information.	9	26 applications	234
160(c)	Establish a Company File for qualification; submit updated information, submit qualifications for lessee/bidder, request exception.	Burden covered under 30 CFR 556 (1010-0006).		0
160; 165; 123	State lessees: Apply for new or modified right-of-use and easement to construct and maintain off-lease platforms, artificial islands, and installations and other devices; include pay.gov confirmation and notifications.	5	1 application	5
		\$2,742 state lease fee x 1 = \$2,742		
166	State lessees: Furnish surety bond; additional security if required.	Burden covered under 30 CFR 556 (1010-0006).		0
Subtotal			27 responses	239 hours
			\$2,742 non-hour cost burden	
Primary Lease Requirements, Lease Term Extensions, and Lease Cancellations				
181(d); 182(b); 183(a)(b)	Request termination of suspension, cancellation of lease, lesser lease term (no requests in recent years for termination/cancellation of a lease; minimal burden).	20	1 request	20
182; 183, 185; 194	Various references to submitting new, revised, or modified exploration plan, development/production plan, or development operations coordination document, and related surveys/reports.	Burden covered under 30 CFR 550, Subpart B (1010-0151).		0
184	Request compensation for lease cancellation mandated by the OCS Lands Act (no qualified lease cancellations in many years; minimal burden compared to benefit).	50	1 request	50
Subtotal			2 responses	70 hours
Information and Reporting Requirements				
186(a)	Apply to receive administrative entitlements to eWell/TIMS system for electronic submissions.	Not considered IC under 5 CFR 1320.3(h)(1).		0
186; NTL	Submit information, reports, and copies as BOEM requires.	10	125	1,250
135; 136	Report apparent violations or non-compliance.	1.5	2 reports	3



Citation 30 CFR 550 Subpart A and Related Forms/NTLs	Reporting or Recordkeeping Requirement	Hour Burden	Average No. of Annual Responses	Annual Burden Hours
		Non-Hour Cost Burdens		
194; NTL	Report archaeological discoveries. Submit archaeological and follow-up reports and additional information.	2	6 reports	12
194; NTL	Request departures from conducting archaeological resources surveys and/or submitting reports in GOMR.	1	2 requests	2
194	Submit ancillary surveys/investigations reports, as required.	Burden covered under 30 CFR 550 Subpart B (1010-0151).		0
196	Submit data/information for G&G activity and request reimbursement.	Burden covered under 30 CFR 551 (1010-0048).		0
197(b)(2)	Demonstrate release of G&G data would unduly damage competitive position.	1	1	1
197	Submit confidentiality agreement.	1	1	1
<b>Subtotal</b>			<b>137 responses</b>	<b>1,269 hours</b>
<b>Recordkeeping</b>				
135; 136	During reviews, make records available as requested by inspectors.	2	7 reviews	14
<b>Subtotal</b>			<b>7 responses</b>	<b>14 hours</b>
Citation 30 CFR 550 Subpart K and Related Forms	Well Surveys and Classifying Reservoirs	Hour Burden	Average No. of Annual Responses	Annual Burden Hours
1153	Conduct static bottomhole pressure survey; submit Form BOEM-0140 (Bottomhole Pressure Survey Report) (within 60 days after survey).	14	1,161 surveys	16,254
1153(d)	Submit justification, information, and Form BOEM-0140, to request a departure from requirement to run a static bottomhole survey.	1	200 survey departures	200
1154; 1167	Submit request and supporting information to reclassify reservoir.	1	15 requests	15
1155; 1165(b); 1166; 1167	Submit Form BOEM-0127 (Sensitive Reservoir Information Report) and supporting information/revisions (within 45 days after certain events or at least annually). AK Region: submit BOEM-0127 and request MER	3	2,012 forms	6,036
1153-1167	Request general departure or alternative compliance requests not specifically covered elsewhere in regulatory requirements.	1	2	2
1165	Submit proposed plan for enhanced recovery operations to BSEE.	Burden covered under BSEE 30 CFR 250 (1014-0019).		0
<b>Subtotal</b>			<b>3,390 responses</b>	<b>22,507 hours</b>
<b>TOTAL BURDEN</b>			<b>7,567 Responses</b>	<b>30,635 Hours</b>

Citation 30 CFR 550 Subpart A and Related Forms/NTLs	Reporting or Recordkeeping Requirement	Hour Burden	Average No. of Annual Responses	Annual Burden Hours
		Non-Hour Cost Burdens		
			\$165,492 Non-Hour Cost Burdens	

**Estimated Reporting and Recordkeeping Non-Hour Cost Burden:** We have identified two non-hour cost burdens. Section 550.143 requires a fee for a change in designation of operator (\$175). Section 550.165 requires a State lessee applying for a right-of use and easement in the OCS to pay a cost recovery application fee (\$2,742). These fees reflect the recent adjustment for inflation that became effective February 2, 2013 (78 FR 5836, 1/28/13). The total non-hour cost burden for this collection is estimated at \$165,492.

**Public Disclosure Statement:** The PRA (44 U.S.C. 3501, *et seq.*) provides that an agency may not conduct or sponsor a collection of information unless it displays a currently valid OMB control number. Until OMB approves a collection of information, you are not obligated to respond.

**Comments:** Section 3506(c)(2)(A) of the PRA (44 U.S.C. 3501, *et seq.*) requires each agency “. . . to provide notice . . . and otherwise consult with members of the public and affected agencies concerning each proposed collection of information . . .” Agencies must specifically solicit comments to: (a) evaluate whether the collection is necessary or useful; (b) evaluate the accuracy of the burden estimates; (c) enhance the quality, usefulness, and clarity of the information to be collected; and (d) minimize the burden on the respondents, including the use of technology.

To comply with the public consultation process, on June 17, 2013, BOEM published a *Federal Register* notice (78 FR 36244) announcing that we would submit this ICR to

OMB for approval. This notice provided the required 60-day comment period. We received no comments in response to the notice; however, comments are accepted at any time.

**Public Availability of Comments:** Before including your address, phone number, email address, or other personal identifying information in your comment, you should be aware that your entire comment—including your personal identifying information—may be made publicly available at any time. While you can ask us in your comment to withhold your personal identifying information from public review, we cannot guarantee that we will be able to do so.

Dated: September 16, 2013.

Deanna Meyer-Pietruszka,  
Chief, Office of Policy, Regulations, and Analysis.

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